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Approved For Release 2005/08/02 : CIA-RDP89-01114R000300010018-4

1151

21 AUG 1981

Executive Registry

81-8153

MEMORANDUM FOR : Acting Director of Central Intelligence

FROM : James N. Glerum  
Director of Personnel

SUBJECT : CIA Employee Performance Appraisal Program -  
An Evaluation

1. Action Requested

It is requested that you approve the recommendation contained in paragraph 4.

2. Background

During the latter part of the 1970's, the Agency's performance appraisal system came under growing criticism. Employee rating levels were considered excessively high, the ratings also failed to differentiate adequately among employees, and in general, the program was in disrepute. In the Fall of 1979 a new system was introduced after 18 months of study by an interdirector task force. Its work was later endorsed by a study team from the National Academy of Public Administration. Key features of the new system include:

a. A Performance Appraisal Report (PAR) with a seven point numerical rating scale. It provides space for employees to respond to the rater, if desired.

b. An Advance Work Plan (AWP) which outlines goals and work objectives during the rating period. It also provides for establishing performance standards to be used to determine the employees' numerical ratings.

c. An Evaluation of Potential (EOP) which provides information from supervisors to evaluation boards and panels on the employees' readiness to assume greater responsibility within their present fields of assignment.

3. Staff Position

a. In view of the great importance of employee performance appraisal systems and their role in personnel management, a decision was made

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to evaluate the effectiveness of the new system after it had been in operation for a year. Attached for your information is a report which provides this evaluation. The report looks at the subject from many angles and offers considerable information on the current effectiveness of the Agency's performance appraisal program. Unfortunately, the results are not encouraging. The evidence is persuasive that, as presently used, the PAR represents no significant improvement over the previous system. Employee rating levels continue to be viewed as excessively high, and the PAR's utility for facilitating management decisions remains less than fully satisfactory. The usefulness of the EOP in the PAR appears to be nil, and the form itself cumbersome to handle. In general, employees remain highly critical of the Agency's performance appraisal process particularly as it relates to employee comparative evaluations. In essence the new system suffers many of the same problems as the old. Some of these problems are not going to be easy to resolve. The report suggests some actions which will serve to strengthen its use for the time being and enable us to consider remedies to the long-range concerns it poses.

b. Recently, I met with the Personnel Management Advisory Board (PMAB) to discuss the report and the suggestions made to strengthen the system. It was agreed that some changes must be made immediately in order to reduce the annoyance level. It also was agreed that any changes of a major nature should be thought out carefully and first experimented within an office or Career Service prior to Agency-wide implementation. Three suggestions that can be implemented immediately are:

1. Modify the PAR form;
2. Eliminate the EOP form, allowing raters to comment on Potential in the PAR narrative where appropriate;
3. (a) Redesign the AWP form to address the specific duties to be evaluated in the PAR in one section, with an optional section to deal with specific projects, tasks, or objectives where appropriate.

(b) The mandatory requirement for an AWP would remain only for SIS members (for award purposes) and for employees with real or potential performance problems.

(c) Deputy Directors and office heads will be required to determine the usefulness of the AWP in their organizations and to designate specifically where it will be used.

(d) Copies of the AWP would remain in component "soft" files except for SIS members and employees with performance problems whose AWP's would be retained in their Official Personnel Files.

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While we are recommending the foregoing changes to the AWP, we must point out that professionals in this field consider an explicit understanding between supervisor and employee of the job to be evaluated and the performance level expected to be a key element of an effective performance appraisal system. Knowing this, the Office of Personnel would continue to monitor the use and effectiveness of an AWP in this semi-voluntary mode.

4. Recommendation

It is recommended that the following three specific suggestions be approved:

a. Modify the PAR form by eliminating the carbons, redesigning the layout, and reducing the size.

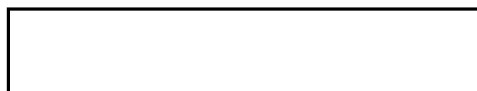
Approved ( ☒ ) Disapproved ( )

b. Discontinue the use of the EOP form, allowing raters to comment on Potential in the PAR narrative where appropriate.

Approved ( ) Disapproved ( )

c. Redesign the AWP form; maintain the mandatory requirement for SIS and employees with real or potential performance problems; require Deputy Directors and office heads to designate areas in their jurisdiction where it will be used; maintain official file copies only for SIS and employees with performance problems.

Approved ( ) Disapproved ( )



James N. Glerum

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Attachment

Ref/ to EXCOM to provide me their advice.  
I am struck by the relatively short  
time that the current evaluation  
process has been in use

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## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

CIA Employee Performance Appraisal Program - An Evaluation

FROM: James N. Glerum  
Director of Personnel  
5E58 Headquarters

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